

REMARKS

Claims 1-25 are pending in the present application. The Applicants have amended the claims to more clearly define their invention. The Applicants respond to the issues raised in the Office Action as follows:

Claim Rejections - 35 USC § 102

Claims 1-4, 6-9, 11-15, 19-20, 23 and 25 have been rejected under 35 U.S.C. 102(b) as anticipated by U.S. Patent No. 5,638,519 to Haluska ("Haluska"), which discloses a computer based method of coordinating the inventory of a seller and a distributor so that both receive information pertaining to a transaction.

The Examiner acknowledges at page 5 of the Office Action that Haluska "is silent regarding wherein said generating step further comprises transmitting the distributor's name and logo from said manufacturer computer to said shipping documents." This is the limitation found in claim 5. The Applicants have added this limitation to amended independent claims 1 and 12. Accordingly, the amended claims are not anticipated by Haluska. The question of whether the amended claims are obvious is addressed below.

Claim Rejections - 35 USC § 103

Claims 5, 17-18 and 21 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Haluska in view of U.S. Patent No. 6,304,857 to Heindel ("Heindel"), which discloses a distributed electronic billing system. As stated above, the Applicants have amended independent

claims 1 and 12 to incorporate the limitation of claim 5, which has been cancelled. The Applicants will now address the rejection of the claims based on a finding of obviousness in view of a combination of Haluska and Heindel.

The amended claims are directed to a system and a method which provide a virtual merging of the inventories of a manufacturer and a distributor so that a customer cannot determine if an order was shipped by the distributor or directly from the manufacturer. This allows the distributor to substantially reduce its inventory and rely on the manufacturer's inventory to fill some of its customer orders. When a customer places an order with the distributor, the distributor computer searches the distributor's inventory as well as the manufacturer's inventory to locate the item or items in the order. After the item(s) in the order are located in the distributor's inventory or the manufacturer's inventory, a customer shipping document is generated which indicates fulfillment of the order by the distributor. The customer shipping document includes the distributor's information but not the manufacturer's information and is the same whether the order is shipped to the customer by the distributor or by the manufacturer. Thus, it appears to the customer that the order was filled by the distributor and the manufacturer's role in filling the order is not disclosed.

The invention in the amended claims is described in paragraph [0012] of the specification (beginning on page 5) as follows:

[T]he system and method of the present invention allow a distributor to compliment their own inventory with that of a manufacturer by allowing real-time access to manufacturer inventory information. The distributor can then generate

an electronic purchase order to the manufacturer, which would be identified for direct shipment to the end-customer from the manufacturer. Preferably, along with the purchase order, the distributor would provide to the manufacturer distributor-specific data that would be printed on the shipping documents, the data indicating fulfillment of the order by the distributor. Preferably, the shipping documents would include the distributor's name and graphic logo, as well as unique customer identifier information thereon, such as the name and address of the customer. The shipping documents appear to have been generated at the distributor's own warehouse facility. The manufacturer drop-ships the order directly to the end-customer with the associated shipping labels and documents, which will reference the distributor's specific data provided with the purchase order, as if the product were shipped directly from the distributor's warehouse.

The amended claims are patentable over a combination of Haluska and Heindel because neither references teaches nor suggests a system where the customer shipment documents only contain information identifying the distributor, even when the filled order is shipped directly to the customer by the manufacturer.

The Examiner states at page 5 of the Office Action that Haluska does not disclose transmitting the distributor's information (i.e., the distributor's name and logo) from the manufacturer's computer to the shipping documents. To overcome this shortcoming, the Examiner has found that Heindel teaches a billing system that transmits the distributor's information to the billing documents. The Applicants respectfully disagree with this finding. Heindel neither teaches nor suggests the generation of a customer shipping document with the distributor's information that is shipped with the order.

The Applicants distinguish Heindel in the specification and state in paragraph [0007] on page 4 that: "[Heindel's] system does not provide for accessing inventory information, filling

customer orders from a given inventory, **or generating a customer shipping document** which would indicate fulfillment of the customer order from a given inventory.” (Emphasis added.)

Heindel discloses a billing system wherein “the biller provides the statement format and billing data to a third party billing service center, which generates the electronic billing statements in the biller-designed format and electronically distributes the billing statements to consumers.”

Abstract. There is no teaching or suggestion in Heindel that the billing statement information is shipped to the customer along with the items of the order. In fact, Heindel teaches that the billing statements are distributed electronically to the customers. Col. 3, lines 3-9. Accordingly, Heindel does not teach or suggest a system which creates a customer shipment document with the distributor’s information (e.g., name and logo) that is shipped with the order. Therefore, the acknowledged deficiency in Haluska is not supplied by Heindel and the amended claims are not obvious in view of a combination of the two references.

Claims 10 and 24 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Haluska in view of U.S. Patent No. 6,023,683 to Johnson (“Johnson”), which discloses an electronic sourcing system. Johnson has been cited as teaching a system wherein a purchase order is transmitted from the distributor to the manufacturer. However, Johnson does not teach or suggest a system wherein a distributor has access to the inventory of a manufacturer, locates an item ordered by a customer and transmits a customer shipping document with distributor information to the manufacturer, which is then shipped to the customer with the order.

Johnson states at col. 3, lines 23-28 that: “[T]he invention includes a means for checking

the availability in one or more inventory locations of the corresponding desired catalog items, **and for generating one or more purchase orders for desired items from inventory locations stocking the items.**" (Emphasis added.) Johnson may teach direct shipping by the manufacturer as the Examiner has found. However, there is no teaching or suggestion that the distributor transmits a customer shipping document to a manufacturer and that the customer shipping document only contains information identifying the distributor and not the manufacturer. The present invention provides the manufacturer with distributor specific shipping documents so that it appears to the customer that the order was sent directly from the distributor. This helps the distributor maintain customer loyalty so that the customer will continue to place orders with the distributor and not the manufacturer. Accordingly, claims 10 and 24 are not obvious in view of a combination of Haluska and Johnson.

Claim 16 has been rejected under 35 U.S.C. 103(a) as being unpatentable over Haluska in view of U.S. Patent Application Publication No. US 2002/0099567 to Joao ("Joao"), which discloses a method for providing shipment information. Joao has been cited as teaching specific types of shipping documents included with an order. The amended claims require that the distributor transmits a customer shipping document to a manufacturer and that the customer shipping document only contains information identifying the distributor and not the manufacturer. As discussed above, the Examiner has found that this limitation is not taught by Haluska. Joao may disclose that shipping documents may include a packing slip, pallet posting documents and the container pack list, but there is no teaching or suggestion in Joao of an order

being shipped with shipping documents which contain information that only identifies the distributor. Accordingly, the amended claims are not obvious in view of a combination of Haluska and Joao.

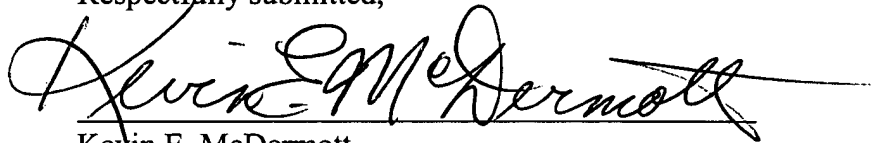
Claim 22 has been rejected under 35 U.S.C. 103(a) as being unpatentable over Haluska in view of U.S. Patent Application Publication No. US 2003/0208411 to Estes et al. ("Estes"), which discloses a method for shipping a package privately to a customer. Estes has been cited as teaching a customer selected shipment method. However, Estes neither teaches nor suggests a method wherein the order is shipped with shipping documents which contain information that only identifies the distributor. Accordingly, the amended claims are not obvious in view of the combination of Haluska and Estes.

Conclusion

The Applicants submit that the amendments to the claims and the accompanying remarks have distinguished the prior art and respectfully request that the rejections be withdrawn and the claims allowed.

If the Examiner has any questions or comments relating to the present application, the Examiner is respectfully invited to contact Applicants' attorney at the telephone number set forth below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kevin E. McDermott", with a long horizontal flourish extending to the right.

Kevin E. McDermott
Registration No.: 35,946
Attorney for Applicants

HOFFMANN & BARON, LLP
6900 Jericho Turnpike
Syosset, New York 11791
(516) 822-3550
299324_1